GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:229
ANSWERED ON:01.03.2002
EXEMPTION OF EXCISE DUTY ON NAPHTHA
AJAY CHAKRABORTY

Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that Government has waived excise duty on naphtha used as feedstock by seven power plants;

(b) if so, the names of these plants and the reduction likely to be effected by the power plants on its tariffs;

(c) whether it is a fact that the excise exemption is not extended to the NTPC`s Kayamkulam Power Project in Kerala; and

(d) if so, the details and reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N.RAMACHANDRAN)

(a) Yes, Sir.

(b) The names of the seven power plants are as follows :

1. 120 MW Combined Cycle Gas Turbine Power Plant at Basin Bridge, Chennai of Tamil Nadu Electricity Board;

2. 20 MW Power Plant of M/s. Nagarjuna Electric Generating Company at Patancheru, Medak District, Andhra Pradesh;

3. 515 MW Combined Cycle Power Plant at Hazira, Gujarat of M/s. Essar Power Limited;

4. 167 MW Combined Cycle Power Plant at Vadodara of M/s. Gujarat Industries Power Corporation Limited;

5. 48 MW Combined Cycle Power Plant at Sancoale village, Mormugao District, Goa of M/s. Reliance Salgaoncar Company Limited;

6. 220 MW Barge Mounted Power Plant at Mangalore of M/s. Tanir Bavi Power Company Private Limited, Mangalore;

7. 165 MW Combined Cycle Power Plant at Eloor, District Ernakulam, Kerala of M/s. BSES Kerala Power Limited.

It is expected that it will result in reduction of cost of generation of electricity by 10-16 paise per unit.

(c): Yes, Sir.

(d): The decision taken covers only the plants mentioned in the reply to part (b) above.